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Bridge International Academies

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Bridge International Academies

Abstract

Bridge International Academy (Bridge), the world's largest and fastest growing private school chain, is known for its radically innovative "Academy-in-a-Box" model, which is a scalable and easily replicable model that offers low cost unique solutions to the problem of quality education to children at the bottom of the pyramid. With the mission of providing 'Knowledge for All' Bridge has enrolled more than one hundred thousand students in Kenya and other developing countries. The unique model revolves around the developing of rigorous course content by expert teachers from around the world and the "Scripted Instruction Methodology" to ensure standardization of delivery in the classrooms. The model that delivers affordable education at about \$6 a month needs to scale up and enroll half a million students to break even.

While May and Jay, the founders of Bridge, were well on course to achieve their goal of enrolling 10 million poor students by 2025, they faced resistance from teachers' associations which felt that encouraging Bridge would lead to privatization and commercialization of education. The governments also brought in new legislations that seriously hampered its business model by increasing costs and stalling its scalability. May and Jay now have to take a decision on how to rework the existing model to overcome regulatory hurdles and opposition from educators in order to achieve their goal. The case has important decision points and ramifications for all social entrepreneurs who have built or are building a sustainable business model to offer quality primary education to the poorest of the poor.

Case

*"All children, regardless of family income, deserve a chance to get the education they need to improve their lives and contribute to society. All parents deserve the opportunity to see their children succeed...We look forward to placing tens of thousands of low-income children into top public secondary schools where they will continue to thrive."*¹

– Shannon May, Co-founder and Chief Strategy and Development Officer at Bridge International Academies, January 2014.

*"The story emerging from Uganda is strikingly similar to our experience in Kenya. It seems that BIA continues to flout national regulations despite repeated calls to comply. No education provider is above the law, and we hope that the process in Kenya will similarly lead to Bridge schools either respecting national standards or closing."*²

– Abraham Ochieng, Programme Coordinator at East African Centre for Human Rights, November, 2016.

In November 2016, Bridge International Academies (Bridge), the world's largest and fastest growing private school chain known for its radically innovative model, won the 2016 Global Shared Value Award³ for its unique solution to the problem of quality education for children from disadvantaged backgrounds (*Refer to Exhibit 1 for other awards and recognitions received by Bridge*). Dr. Maggie Aderin-Pocock, British space scientist, noted, *"Education is the great leveller in a very unbalanced world. However, many poor children do not get the opportunity to take their first steps in schooling. Bridge International is changing this by providing effective, low cost, primary education in deprived areas and giving every child the right to be educated and to release their potential. I look forward to seeing the project expand into other countries and reach many more children in the future."*⁴

Shannon May (May), Co-Founder and Chief Strategy and Development Officer at Bridge, said, *"...As we grow, we look forward to continuing to partner with governments, as well as*

¹ "IFC Supports Expansion of Primary Education with Investment in Bridge International Academies," <http://ifcext.ifc.org>, January 21, 2014.

² "Reaction from Human Rights Organisations to the Closure of Bridge Schools in Uganda," <http://globalinitiative-escr.org>, November 10, 2016.

³ The Global Shared Value Award is meant to recognize corporations and Small Micro Enterprises (SMEs) for their commitment to addressing challenges through business strategy, creating "shared value," and applying enterprise strategies to create sustainable, scalable solutions that improve the quality of life and build prosperity for individuals, communities, regions, and the world.

⁴ ApiPodder, "Bridge International Academies Wins International Education Innovation Prize," <http://mysocialgoodnews.com>, September 19, 2015.

international and civil society organizations, as the world comes together to implementing the next set of global development goals.”⁵

May, with the two other founders, Jay Kimmelman (Jay) and Phil Frei (Frei), developed an innovative, scalable “Academy-in-a-Box” franchise-based model which offered standardized world class education to children at the bottom of the pyramid (BOP). The model adopted “scripted instruction” methodology to deliver high quality education through standardization of delivery in the classroom. In this model, Bridge’s teachers read out student-focused, scripted lessons line-by-line from their tablets.

The robot-style teaching methodology with an incredible replicable and scalable model gave Bridge the scope to open an academy every 6 days from 2009–2016 and enroll more than hundred thousand students by the middle of 2016 by collaborating with governments and through franchising. The improved quality of education not only saw an improvement in the performance of poor children in certificate exams but also provided jobs to many.

Just when it looked like Bridge was on course to reach its target of half a million students to break even, the founders got a jolt on three major fronts, which posed a serious challenge to them. In order to ensure standardization and minimum quality in primary education, the Kenyan Ministry of Education (KMoE) in February 2016 came up with new guidelines to regulate schools like Bridge which used unqualified but trained teachers in their academies. As per the new guidelines, Bridge had to re-register its academies and ensure that in the next three years, all Bridge’s teachers cleared the training certificate and were registered with Kenya’s Teachers Service Commission (TSC).

The second jolt came in Liberia where Bridge had partnered with the Liberian government to provide education in primary schools. The government was under pressure to call off the partnership after teachers’ organizations and civil society groups in the country and the United Nations (UN) special rapporteur criticized the agreement between the Liberian government and Bridge. Kishore Singh (Singh), Special Rapporteur of the UN, speaking on the right to education, said, *“Provision of public education of good quality is a core function of the state...Abandoning this to the commercial benefit of a private company constitutes a gross violation of the right to education.”*⁶ Bridge faced opposition in Uganda too where a Ugandan High Court ordered Bridge to shut down all 63 academies in the country.⁷

⁵ ApiPodder, “Bridge International Academies Wins International Education Innovation Prize,” <http://mysocialgoodnews.com>, September 19, 2015.

⁶ Jonathan Paye-Layleh, “Liberia - The Country that Wants to Privatise its Primary Schools,” www.bbc.com, April 26, 2016.

⁷ “Judge Orders Closure of Low-Cost Bridge International Schools in Uganda,” www.theguardian.com, November 4, 2016.

The Bridge founders, who had witnessed a relatively smooth execution of their business model for more than 6 years, seemed to have been caught off guard by the changing regulatory environment and the increased skepticism of private social entrepreneurs in the education sector, even though the model with the aim of education for all was working at providing affordable and quality education to children at the bottom of the pyramid. These developments were expected to put a brake on its scalable model. The founders had to decide how to overcome these challenges which came like a bolt from the blue and which had wider implications for social entrepreneurs who were mulling on building a sustainable business model to offer affordable and quality education to children of the poorest of the poor.

VICIOUS CYCLE OF POVERTY AND ILLITERACY

According to World Bank reports, in 2015, about one billion people were living in extreme poverty and 2.2 billion were living on less than US\$2 per day.⁸ Living life with such an income was a challenge and providing quality education within this was next to impossible. The EFA⁹ Global Monitoring Report 2015 mentioned that poverty was one of the major constraints for education. Under-financing of education was the challenge as education was not in the priority list of budgetary allocation in many countries.¹⁰

The EFA Global Monitoring Report 2015 revealed that worldwide about 57.79 million (about 29.64 million in sub-Saharan Africa, more than half of them girls) children of primary school aged 6-11 years were out of school in 2012. Additionally, by 2015, one out of every six children in low and middle income countries or about 100 million children had not completed their primary schooling. There was a four-time higher chance that the poorest children would not go to school compared to the richest children and there was a five-time likelihood that poor children would leave school before completing their primary education. The majority of these children were in sub-Saharan Africa.^{11,12,13} According to UNICEF, schooling cost, gender bias, lack of schools nearby, security, and no jobs after completing school were the major reasons for the children dropping out of school.¹⁴

⁸ "Goal 8: Promote Inclusive and Sustainable Economic Growth, Employment and Decent Work for All," www.un.org.

⁹ EFA stands for 'Education For All'. EFA is an international movement led by the UNESCO.

¹⁰ "EFA Global Monitoring Report – 2015," <http://unesdoc.unesco.org>.

¹¹ "Fixing The Broken Promise of Education For All," www.unicef.org, 2015.

¹² "EFA Global Monitoring Report – 2015," <http://unesdoc.unesco.org>.

¹³ "Achieve Universal Primary Education Where Do We Stand?," www.undp.org.

¹⁴ "Out of School Children Initiative," <https://data.unicef.org>.

Since the United Nations had adopted the Millennium Development Goals¹⁵ in 2000 to achieve universal primary education, most of the African countries had done away with school fees. However, making education free did not produce quality results. It only resulted in a rise in student enrollment, which led to congested classrooms. Teachers spent more time in managing the class than in teaching, which further ruined the quality of education and increased the dropout rate. In sub-Saharan Africa, the chances of children surviving till the last grade of primary school were just 58% in 2011, whereas the worldwide survival rate was 75%.¹⁶

This meant there were more children with poor basic skills and a significant loss of public resources. As per the EFA Global Monitoring Report 2013-14, worldwide there were 650 million primary school children and of these, at least 250 million, mostly from a disadvantaged background, did not have basic literacy and numeracy skills. To improve the quality of education, the United Nations fixed one of the Sustainable Development Goals¹⁷ as quality education for all.

KENYAN EDUCATION SYSTEM

Kenya is a low middle income country in eastern Africa with a gross domestic product of US\$63.4 billion (in 2015), mainly contributed by agriculture, forestry, and fishing.^{18, 19} The 2009 Kenya Household Population Census revealed that 4.6 million children aged 6-17 years were out of school.²⁰ In 2013, a survey conducted with the support and supervision of the World Bank revealed that on an average 42.2% of Kenyan teachers were absent from class. The real teaching time was only about 2 hours 40 minutes per day, which meant that Kenyan teachers taught only for about half of their scheduled teaching time. The content knowledge was very low among Kenyan teachers, with only 39.4% of them being able to score about 80% in the test conducted as part of the survey (*Refer to Exhibit II*). The report further stated that the Kenyan government was spending more than other neighboring countries on education

¹⁵ In 2000, the United Nations had adopted eight Millennium Development Goals to be achieved in 2015. These eight goals were: reduce poverty and hunger, achieve global primary education, promote gender equality and empower women, reduce child mortality, improve maternal health, combat HIV/AIDS, malaria, and other diseases, ensure environmental sustainability, and develop a global partnership for development.

¹⁶ "EFA Global Monitoring Report – 2015," <http://unesdoc.unesco.org>.

¹⁷ In September 2015, the United Nations adopted the 2030 Agenda for Sustainable Development comprised of 17 Sustainable Development Goals included elimination of poverty and hunger, clean water, sustainable cities, sustainable consumption, affordable and clean energy for all, quality education for all among others.

¹⁸ "Facts and Figures, www.knbs.or.ke," 2015.

¹⁹ "Kenya," <http://data.worldbank.org/country/kenya>.

²⁰ www.education.go.ke/index.php.

but the results were not commensurate with the spending. However, the Kenyan education system could improve with focused investments, stated the report.²¹

IDEATION AND CONCEPTUALIZATION

Bridge International founders, May and Jay, were Harvard graduates. After graduating, May went on to pursue a Ph.D. in anthropology from the University of California, Berkeley, while Jay co-founded Edusoft, a web-based student assessment platform for kindergarten to twelfth (K-12) students.

In 2006, while during her research work in a remote village in China, May also worked as an English teacher at a local primary school for 18 months.²² While working there, she found that villagers were functionally illiterate due to the poor education system. She discovered that the teachers were underpaid and lacked suitable training and motivation to teach the children. The teachers did not come to the village school regularly. If they did come, they were unprepared, and were sometimes even drunk. As a result, the children did not get a proper education. May said, *"Even as I researched for my thesis in this remote Chinese village...the issue of quality education and its role in alleviating poverty preoccupied my mind."*²³

Her experience proved to be an eye-opener for her. In her words, *"It also gave me an incredible view on where the cycle of poverty really starts."*²⁴ *"I saw impoverished families thrown into a vicious cycle of more and more poverty because they could not afford quality education for their children, who were left with little or no opportunity to improve their lot and that of their families."*²⁵

Jay, who sold Edusoft to Houghton Mifflin Company²⁶, also joined May in China. In China, May and Jay decided to work for quality education for children from impoverished families. Both got married in 2007 and went to Africa for their honeymoon. Once there, they realized that education for the poor was a much bigger problem in sub-Saharan Africa than in China. They decided to focus on Africa and to conduct extensive research to select the most appropriate country to start their pilot project on education. Initially, they selected a few low income (Uganda, Tanzania, Rwanda, Malawi) and low middle income (Kenya and Nigeria) African countries.

²¹ "Service Delivery Indicators Kenya," <http://siteresources.worldbank.org>, July, 2013.

²² "Democratising Education: Q&A with Shannon May – The Guardian," <http://www.bridgeinternationalacademies.com>.

²³ By Joe Ombuor, "From Arizona to Africa with Heart for Needy Pupils," www.standardmedia.co.ke, July 4, 2012.

²⁴ "Schools – 'Technically, We're Breaking the Law'," www.tes.com, November 8, 2013.

²⁵ By Joe Ombuor, "From Arizona to Africa with Heart for Needy Pupils," www.standardmedia.co.ke, July 4, 2012.

²⁶ In 2003, Houghton Mifflin Company (HMC) was an educational publisher based in Boston, Massachusetts, US.

During their research in Malawi, May and Jay met Frei, a Massachusetts Institute of Technology alumnus, who joined Bridge as a founder. The founders interviewed various teachers, principals, and parents and diagnosed the problems and issues that affected students' performance. They also tried to understand the need for quality education in African countries. May said, *"We believe in following the data. We looked at where children are learning the least, where the problem is biggest."*²⁷

After developing, discussing, debating, strategizing, and analyzing ideas to deliver affordable, high-quality education on a large scale to people at the bottom of pyramid, they decided to start a pilot project in Kenya, as, according to the founders, the country had a poor education system, high density of population, and availability of potential teachers. May said, *"In Kenya, literally 50 percent of children fail the primary exit exam. Most children are getting to the age of 12, 13, 14, still functionally illiterate, still without a basic grasp of mathematics."*²⁸

In 2008, the trio founded Bridge²⁹ to reduce the gap in the quality of education between the poor and rich. They decided to start 'Bridge' for families which earned less than US\$2 per day. According to industry experts, the worldwide market for low-cost private education was US\$51 billion per year.³⁰ The low price point was the key requirement to capture this market. According to UNICEF, education provided one of the best investment opportunities with 10 to 15 times return on each invested dollar.³¹

THE BRIDGE INTERNATIONAL ACADEMIES

The first Bridge Academy was started in the Mukuru Kwa Njenga slum in Nairobi, Kenya, in January 2009 with 60 students. The Academy offered Kindergarten and Classes 1-3. In 2011, Nursery and Class 4 were offered and in 2012, it added baby class and class 5. In 2012, Bridge claimed to have become the fastest growing company in Kenya. In the year 2013, Bridge became the largest chain in any industry in Kenya thanks to the robust growth which it achieved by adding on an average one Academy every three days throughout that year. The company added class 7 and class 8 in year 2014 and 2015 respectively (*Refer to Exhibit III for various pictures of Bridge*).

²⁷ Eli Wolfe, "'Academies-in-a-Box' Are Thriving—But Are They the Best Way to School the World's Poor?," <http://alumni.berkeley.edu>, April 15, 2014.

²⁸ Eli Wolfe, "'Academies-in-a-Box' Are Thriving—But Are They the Best Way to School the World's Poor?," <http://alumni.berkeley.edu>, April 15, 2014.

²⁹ Bridge was owned by New Globe Schools Inc., (NSG), a US-based firm founded by the same founder in 2007.

³⁰ Dayo Olopade, "Pop-Up Schools Could Radically Improve Global Education," www.wired.com, November 12, 2013.

³¹ "Out of School Children Initiative," <https://data.unicef.org>.

By the end of September 2016, there were more than 450 Bridge Academies across Nigeria, Uganda, Kenya, India, and Liberia where it was teaching more than 100,000 pupils with the help of more than 5,000 academic staff (*Refer to Exhibit IV for time line of Bridge*).^{32, 33} Marie Leznicki, Vice President of brand development at Bridge, said, *"We're able to grow quickly because of the amount of time and energy that goes into every system. It's not that different from a Starbucks or a McDonald's."*³⁴

BRIDGE "ACADEMY-IN-A-BOX" MODEL

With their mission of "Knowledge for all", the Bridge founders set up a technology-enabled, data-driven business model which could easily be replicated and expanded on a large scale and could deliver a standardized learning experience to the poorest students around the world at the lowest price point.

Bridge's model was built around a franchise-based model. The company had developed a unique 'Academy-in-a-Box' concept, providing almost everything to start, construct, and run the academy successfully.

Identifying Need-based Locations

The founders conducted extensive research before finalizing the location for a new Academy. Basically, the company performed research about the demography and land availability in the area. It used satellite and aerial imagery to understand the population density in the proposed area. Apart from this, Bridge gathered information about the number of other schools in the prospective location, the fees and quality of those schools, and availability of space for a Bridge Academy in the prospective location. Bridge also collected information about the community such as number of children ready to go into primary school, the income and jobs of their parents, and their parents' willingness to change their children's school. Bridge then worked with the District Education Officer and the County Education Board³⁵ to open its school.³⁶ To ensure that they would be successful, the founders opened the Academy where it was highly needed and required only 5% of catchment area.³⁷

³² "Corporate Results," www.bridgeinternationalacademies.com.

³³ "About," www.bridgepartnershipschools.com/who-is-bridge.

³⁴ Donna Fenn, "How 4 Social Enterprises are Changing the World," www.americanexpress.com, November 18, 2014.

³⁵ The County Education Board ensured quality of education, registration of schools, enforcement of Children's Act, and other various tasks.

³⁶ NdutaWaweru, "We Offer Quality Education for Sh500 per Month – May," www.the-star.co.ke, November 5, 2015.

³⁷ "Bridge International Academies," www.educationinnovations.org.

Content as Core to the Model

Bridge's founders followed a 'scripted instruction' methodology which divided academic content into development work and actual classroom delivery work. A large team of experts called 'master teachers' developed rigorous course content and a line by line, minute by minute script for teachers of every class. Master teachers worked from Boston, Cambridge, Massachusetts, Nairobi, and India and delivered about 13,000 hours' worth of new material per annum.³⁸ Bridge laid major emphasis on basic literacy, numeracy, and critical thinking skills in the early grades.³⁹ The curriculum of each of the countries was also given utmost importance.

The lesson plan prepared by the master teachers covered various things, such as what the teacher had to do and say in the classroom, what learning tool he/she had to use in the classroom, what the teacher had to write on the blackboard i.e., the complete blackboard plan, when and how many times the teacher had to call the students. and when to make eye contact with the students. May said, *"Our academic team develop all Bridge's academic content by analysing the 8-4-4 curriculum [for Kenya] and using leading pedagogical theories and extensive practical experience to consider how best to teach it. We also do additional lessons on reading and critical thinking skills. Because content is delivered through tablets, our academic team can monitor everything that happens in class and can talk directly to teachers about their experiences. They then use this information to improve future lessons."*⁴⁰

Tablet-based Teaching

Bridge's founders were highly selective about choosing teachers. As a result, the company hired on an average only 1 out of every 5 people interviewed.⁴¹ The company typically employed high-school graduates aged around 30 years and gave them a rigorous six-week paid residential training at its own Bridge International Training Institute (BITI).⁴² The induction training program covered various aspects of teaching, classroom management, student engagement, word pronunciation, etc. BITI conducted various examinations throughout the training program which helped Bridge select the best candidates for its schools. Only the top 14% of candidates got the chance to teach in Bridge Academies. Apart from initial training, Bridge's teachers went through at least one training and certification

³⁸ "The WISE Awards," www.wise-qatar.org.

³⁹ "Bridge International Academies," www.educationinnovations.org.

⁴⁰ NdutaWaweru, "We Offer Quality Education for Sh500 per Month – May," www.the-star.co.ke, November 5, 2015.

⁴¹ "Lifecycle," www.bridgeinternationalacademies.com.

⁴² "Investing in the Education of Africa's Youth," www.cnbcafrica.com, January 22, 2016.

program in a year. In 2015, Bridge's teachers were paid a monthly salary of KSh⁴³ 12,000, which was lower than the average salary of a public school teacher (KSh16,000) in Kenya,⁴⁴ but higher than that of 90% of teachers in their communities.⁴⁵

In the classroom, teachers used refurbished Nook⁴⁶ tablets loaded with Bridge's own software and apps to access and deliver lessons to the students. The teachers were expected to follow the complete lesson plan from the tablet as prepared by the master teacher. This practice ensured delivery of a standardized, high quality learning experience to all the students of Bridge's academies without its being affected by the teacher's own knowledge, experience, or preparation.

The parents of the students were happy with the scripted teaching method used by Bridge. Esther Wambui, mother of three children who were attending Bridge Academy, said, *"Now my children can speak English. They love their teachers. They get homework. They are doing much, much better. We are very happy."*⁴⁷

The teacher-tablet was not only used to deliver the scripted lesson but also to mark students' attendance and upload term marks and for supervision. The tablet also helped to check on teachers' attendance, the in and out time of each teacher, and how much time a particular teacher spent on a lesson. The teachers had to connect their tablet to the Bridge server through the manager's smartphone, which worked as a hot spot. They had to connect their tablet twice a day to upload student-related data and download lessons. May said, *"Bridge teachers are in class and teaching for 10 hours a day and absenteeism is virtually nil, as they must check in using their tablets, which have a geolocation function."*⁴⁸

Bridge ensured 100% teacher's attendance in each classroom. So, there was no waste of time for students. If any teacher was absent, then the system automatically notified Bridge's headquarters as well as the on-call substitute teacher, who then had to go to the class and deliver the lesson. May said, *"Our commitment to our parents is that their children will be taught...So we invest in, essentially, lots of plan Bs."*⁴⁹ In comparison, Kenya's public school

⁴³ KSh is the symbol of the Kenyan shilling. As of July 2016, US\$1 was approximately equal to KSh101.26.

⁴⁴ David Herbling, "Ministry Stops Expansion of Low-cost Schools," www.businessdailyafrica.com, September 24, 2015.

⁴⁵ Henry Wanyama, "Kenya: We Are Working Towards Democratising Success - Marie Leznicki," <http://www.bridgeinternationalacademies.com>, February 26, 2014.

⁴⁶ Nook is the Barnes & Noble's e-reader and tablet.

⁴⁷ Leigh Buchanan, "The Mission: Teach 10 Million Kids--and End Poverty," www.inc.com, April 23, 2014.

⁴⁸ David Herbling, "Uncertainty Hits Thousands of Pupils in Low-Cost Bridge," www.businessdailyafrica.com, November 9, 2015.

⁴⁹ Dayo Olopade, "Pop-Up Schools Could Radically Improve Global Education," www.wired.com, November 12, 2013.

and private school teachers' absenteeism rate was 47.3% and more than 30%, respectively.⁵⁰ Jacinda Ndunge, mother of Sharon, a student of a Bridge school, said, *"At state school, many times the teacher did not go to class. Sharon comes home with homework to do and is happy to go to school."*⁵¹

The performance of the teachers was monitored through the tablets by the academy manager, Area Managers, and Quality Assurance Teams who regularly traveled to various Academies to guide the teachers. The teachers got feedback on a daily basis and sometimes on an hourly basis also. Additionally, every week, the teacher's delivery of the complete lesson was observed by the manager and detailed feedback was provided to the teachers.

Student learning was evaluated through an in-house evaluation system as well as an independent agency. Under the in-house evaluation system of Bridge, students were evaluated on a daily basis with the help of homework and assessments. Apart from this, Bridge took six tests in a year. Additionally, Bridge's students were evaluated every year through the Early Grade Reading Assessment (EGRA) and the Early Grade Math Assessment (EGMA) which were conducted by an independent third party.

Academy Management

Bridge's founders had developed a unique system of administration around technology which was supported by in-house developed apps, applications, and smartphones. Technology helped Bridge reduce the need for non-teaching staff at each school and kept the administration cost low. Generally, a Bridge Academy had only three non-teaching employees.⁵² Each Academy had one Academy manager equipped with a low-cost smartphone pre-installed with in-house developed apps and software which helped the manager to handle the day-to-day operations at school level such as tracking of fee payments by parents, payment to suppliers, budgeting at the Academy level, etc. The smartphone also helped the manager send various reports to the Bridge headquarters on a regular basis.

Cashless Payment System

Bridge followed a no-cash policy and accepted payment from parents through mobile money or a direct deposit in its bank account in Equity Bank Kenya Limited.⁵³ It used a mobile phone-based money transfer system, M-Pesa⁵⁴, for all cash inflows and outflows. Bridge used

⁵⁰ Eli Wolfe, "'Academies-in-a-Box' Are Thriving—But Are They the Best Way to School the World's Poor?," <http://alumni.berkeley.edu>, April 15, 2014.

⁵¹ MatinaStavis and Simon Clark, "Zuckerberg-Backed Startup Seeks to Shake Up African Education," www.wsj.com, March 13, 2015.

⁵² DayoOlopade, "Pop-Up Schools Could Radically Improve Global Education," www.wired.com, November 12, 2013.

⁵³ Equity Bank Kenya Limited is a financial services provider based in Nairobi, Kenya.

⁵⁴ M-Pesa is an innovative mobile-based money transfer system which uses SMS to transfer money. However, M-Pesa is not free and it cost 7% of monthly fees paid by each student.

mobile money to pay salaries, various academy related bills, suppliers, etc. The cash-less system helped the company keep costs low and mitigated problems related to logistics and cash management. The founders found M-Pesa was cheaper than setting up their own cash collection system as M-Pesa charged 7% on the monthly fees paid by each student and it integrated itself with the accounting and operating software of Bridge.⁵⁵

Revenue and Cost Model

Bridge's revenue model was built around a monthly fee from students, which was the main source of its revenue. Apart from this, the company earned revenue in the form of a term examination fee, a one-time admission fee, and materials fee. Similar to the education industry standard, lower grade students paid lower fees compared to higher grade students. Bridge charged the lowest possible fees from pupils based on grade and the local community in which it planned to open an Academy.

In 2016, Bridge was charging an average of US\$6 (about KSh600) a month per student, which was a lot of money for families living on an average on US\$1.24 per day per person. However, around 90% of parents were able to afford this fee.⁵⁶ Bridge's fees were significantly lower than the fees other private and public schools charged.⁵⁷ It estimated that the real joint cost for government and parents in public schools was about US\$350 per student per year.⁵⁸ Bridge had a grace period system for those who were not able to pay the fees on time. Additionally, it had an installment system for those who were not able to pay the entire fee at one go.

The major cost for Bridge was what it spent on the construction of its schools. Over a period of time, Bridge's founders developed a very comprehensive construction plan to construct and assemble the school. They used standard supply contracts and local untrained labor to keep the costs low. Normally, Bridge Academies were constructed on a half-acre of land and mostly in highly populated areas where low income communities lived. The company purchased or leased land to set up the Academy. It used iron sheets and timber to construct the Academy, which kept the construction costs low and helped in quick construction. In 2014, the construction cost of a new school was about US\$60,000, which included the cost of 22 classrooms, sanitation, kitchen, and technology equipment.⁵⁹

⁵⁵ "Guest Post: Micro e-payments and Low-Cost Schooling in Kenya," <http://nextbillion.net>, September 2, 2010.

⁵⁶ Marie Leznicki, "Cashless Education: How Mobile Money helps Bridge International Academies Deliver Quality for-profit Education for \$6 a Month – Part 5 in our Digital Finance Plus series," <http://nextbillion.net>, April 11, 2014.

⁵⁷ Henry Wanyama and Ruth Mwangi, "Sossion Wants Matiang'i to Close Bridge Academies," www.the-star.co.ke, June 8, 2016.

⁵⁸ "Classroom Divisions," www.economist.com, February 22, 2014.

⁵⁹ "The Broadband Effect Enhancing Market-based Solutions for the Base of the Pyramid," www.bridgeinternationalacademies.com, 2014.

The founders controlled various overhead expenses through the use of technology and by hiring under-graduates and untrained and inexperienced teachers. Technology automated various administrative jobs and helped to reduce costs significantly. The major operative cost of any Bridge Academy was the teachers' salary followed by the school manager's salary and bonus. Some other costs included by Bridge were mobile phones, various fees, and supplies.⁶⁰

The Bridge business model expected to reach operational breakeven within a year and the payback period for an Academy was 4 years. However, Bridge would become profitable when pupil enrolment reached half a million.^{61, 62}

FINANCING BRIDGE MODEL

In the initial stages, Bridge found it difficult to raise funds with its idea of starting a low cost (or low fee) private school for the poorest people in emerging markets. In an interview, May said, *"You have to be willing to sell yourself and your idea to everyone you know. You can't be bashful, and you can't give up when almost everyone says no. One of our co-founders [Jay] had a previous start-up that was a success, so fewer people said no – since at least one of us had a track record of not losing everyone's money. But still it took a long time. Starting what would be the largest private education system in the world, for the poor, in emerging markets, is not the easiest thing to sell to an investor. Or at least it wasn't when we started in 2008."*⁶³

Bonny Meyer⁶⁴ was the first outsider investor and she invested US\$150,000 in 2008.⁶⁵ Then in 2009, Omidyar Network⁶⁶ invested US\$ 1.8 million. Matt Bannick, Managing Partner of Omidyar Network, said, *"Bridge International has created a ground-breaking model that addresses one of the most urgent challenges of the developing world...A compelling example of high-impact entrepreneurship, Bridge International is not only extending access to education, but also serving as a model of how others can ignite social change through for-profit innovation."*⁶⁷

⁶⁰ David Herbling, "Ministry Stops Expansion of Low-Cost Schools," www.businessdailyafrica.com, September 24, 2015.

⁶¹ "The Broadband Effect Enhancing Market-based Solutions for the Base of the Pyramid," www.bridgeinternationalacademies.com, 2014.

⁶² Catrina Stewart, "Bridge International Academies: Scripted Schooling for \$6 a Month is an Audacious Answer to Educating the Poorest Children Across Africa and Asia," www.independent.co.uk, July 28, 2015.

⁶³ Kate Douglas, "How Educating Africa's Children for \$5 a Month can be a Viable Business," www.howwemadeitinafrica.com, October 18, 2012.

⁶⁴ Bonny Meyer, the founder of Silver Oak Cellars and a member of the social venture network.

⁶⁵ Lauren Gensler, "Double Duty Dollars: Behind The Crazy Idea That Investors Can Make Money and Change the World at the Same Time," www.forbes.com, June 17, 2015.

⁶⁶ Omidyar Network (Omidyar) is a philanthropic impact investment firm. Omidyar was founded by Pierre Omidyar, founder of eBay, and his wife in 2004.

⁶⁷ "Bridge International Academies Launches Affordable Schools in Kenya," www.omidyar.com, December 7, 2009.

After that, Bridge never looked back. The company raised funds at regular intervals as per its requirements from some renowned and leading investors, such as Bill Gates, CDC⁶⁸, Department for International Development⁶⁹ (DFID), Learn Capital, International Finance Corporation⁷⁰ (IFC), Khosla Ventures⁷¹, Mark Zuckerberg, New Enterprise Associates⁷² (NEA), Overseas Private Investment Corporation⁷³ (OPIC), etc (*Refer to Exhibit V for funding details*).

QUALITY EDUCATION BRINGING ECONOMIC AND SOCIAL CHANGE

Bridge's mission of providing quality education to children at the bottom of the pyramid had great potential to transform lives. According to Jin-Yong Cai, the then IFC Executive Vice President and CEO, *"High-quality, affordable education has the potential to expand access to education for the poor in developing countries, and transform the lives of children living in poverty."*⁷⁴

In 2013, an independent study found that Bridge's students, on an average, scored 35% higher marks in English and 19% higher in math compared to public school students. The Bridge model ensured that literacy among students improved and the school dropout rate decreased in Kenya. Bridge students performed better than other private and public schools in the internationally recognized EGRA and EGMA. In the Kenya Certificate of Primary Education (KCPE) exam, Bridge's students got on an average 264 out of 500 as against the national average of 250 out of 500.⁷⁵ Apart from this, 776 Bridge students scored above 300 while 4 students scored above 400 marks (*Refer to Exhibit VI for detail*).⁷⁶ In 2015, the Bridge Academy in the Gatina neighborhood, Kawangware, had 92% of its candidates pass the KCPE against an average of 42% in the public schools.⁷⁷

⁶⁸ CDC is a development finance institution of the UK government. It supports development of businesses in Africa and South Asia to improve the lives of the poorest peoples in the world.

⁶⁹ The Department for International Development (DFID) is a UK government department which looks after administration of international aid. DFID leads the UK government work to end extreme poverty.

⁷⁰ International Finance Corporation (IFC) was established in 1956 to promote economic development in the private sector. It supports for-profit private sector projects in developing countries through its investment, advice, and assets management services.

⁷¹ Khosla Ventures is a California, US-based venture capital fund which came into existence in 2004.

⁷² New Enterprise Associates (NEA) is a global venture capital fund based in the US.

⁷³ Overseas Private Investment Corporation (OPIC) is a Washington, D.C.-based development finance institution of the US government.

⁷⁴ "IFC Supports Expansion of Primary Education with Investment in Bridge International Academies," <http://ifcext.ifc.org>, January 21, 2014.

⁷⁵ www.affordable-learning.com/annual-letter-2015.html#ceo.

⁷⁶ www.bridgeinternationalacademies.com.

⁷⁷ "'Matiang'i Wrong on Quality of Education in Alternative Schools'," www.standardmedia.co.ke, January 29, 2016.

A Bridge Academy directly and indirectly provided employment to about 25 people including suppliers of various items, various types of labor, and so on. Dolika Banda, CDC's Regional Director for Africa, said, *"...Bridge is already a large employer in Kenya, particularly amongst 24 – 35 year olds who were previously unemployed."*⁷⁸

Bridge's teachers' training helped many of the educated unemployed get a job in the Bridge Academy within their community itself. May said, *"We made it a policy to create jobs within the community by recruiting teachers from the immediate neighborhood of our schools."*⁷⁹

CRITICISMS OF BRIDGE MODEL

McDonaldization of Education

Some experts criticized Bridge's mechanical and robot style teaching approach and called it the McDonaldization of Education, with no scope for creativity and passion. Kate Redman, a Communications and Advocacy Specialist for UNESCO's EFA initiative, said, *"A large-scale adoption of this method of teaching would signal a very narrow model of education — one where education is most certainly not created through classroom interactions. Such an education is unlikely to spur the imaginations of the students or encourage critical thinking or social mobility. It is more likely to lead to rote-learning, and would likely leave little flexibility. There is no evidence it can serve as a permanent approach."*⁸⁰ May agreed that scripted lessons restricted the creativity of the teacher. However she said, *"That does not mean it takes away from creativity for the child."*⁸¹

Other experts were of the view that trained and educated teachers could not be replaced by under-graduates with scripted lessons on tablets. An education consultant, Kristin Rosekrans, said, *"When you see a teacher just going through a script, dispassionately, that takes away that human element, it takes away the passion, it takes away the engagement."*⁸²

Hiring Uncertified Teachers

As Bridge hired uncertified teachers, it was criticized by various agencies including Kenya National Union of Teachers (KNUT). In a joint statement KNUT, Kenya Union of Post Primary Education Teachers (KUPPET), Universities Academic Staff Union (UASU), Transparency International (TI), and Action Aid Kenya, asked the Kenyan government to

⁷⁸ "IFC Supports Expansion of Primary Education with Investment in Bridge International Academies," <http://ifcext.ifc.org>, January 21, 2014.

⁷⁹ By Joe Ombuor, "From Arizona to Africa with Heart for Needy Pupils," www.standardmedia.co.ke, July 4, 2012.

⁸⁰ Terrance F. Ross, "Is it Ever Okay to Make Teachers Read Scripted Lessons?," www.theatlantic.com, October 10, 2014.

⁸¹ Leigh Buchanan, "The Mission: Teach 10 Million Kids--and End Poverty," www.inc.com, April 23, 2014.

⁸² Eli Wolfe, "'Academies-in-a-Box' Are Thriving—But Are They the Best Way to School the World's Poor?," <http://alumni.berkeley.edu>, April 15, 2014.

plug legislative loopholes to stop the commercializing of education by placing controls on for-profit, low-cost private academies. They asked the government to ensure that all schools in Kenya followed at least a minimum set of standards such as hiring only qualified and trained teachers registered with TSC, etc.

BRIDGE'S CHALLENGES

Keeping the price point low in the long run was one of the major challenges the Bridge founders faced. Bridge offered world class education at a monthly fee of just US\$4 per month in 2009. But it was forced to increase its fees by 25% to US\$5 per month by 2012 due to a rise in input costs. Bridge further increased its fees by 20% to US\$6 around 2013-14. Some experts linked this price hike to the introduction of the teacher-tablet in 2013. Keeping costs low was important for the model to ensure that the fees were kept low, as any increase on this front would end up being a major burden to the people who earned less than US\$2 per day.

Economies of scale were important not only to keep costs low but also for the company to become profitable and self-sustainable. The target of serving half a million students was essential to break even, which meant that Bridge had to grow to about five times its size in 2015 — a mammoth task, given the growing criticism against the business model.

Bridge also planned to enroll 10 million students in about 12 countries by 2025. To teach these many students, Bridge needed about 0.4 million of teachers and thousands of non-teaching staff. Experts stated that the management and training of employees on such a large scale could be one of the biggest challenges for the founders. Any loopholes or shortcomings in the system would result in a compromise in quality, and collapse of the model. But perhaps its greatest challenge came from outside in the form of a changing regulatory environment in the countries where it operated and widespread opposition from educators (*Refer to Exhibit VII for various challenges faced by Bridge*).

Changing Regulatory Environment in Kenya

Kenya remained a major thirst area for Bridge for testing its model, especially its ability to keep costs low, and replicate and achieve scale. But the model was vulnerable to changing government regulations. In early 2015, an order from the KMoE barred non-formal schools like Bridge from opening new academies till new guidelines came out. This order not only hurt Bridge's plan to expand but also raised a question mark among parents about its very future. On this order, May said, *"They asked that no more schools be opened until new regulations are released...Many parents across the country have been nervous about*

*coming to Bridge, given that the ministry still hasn't released the regulations.*⁸³ This order forced May to scrap Bridge's plan to set up 100 additional Academies in Kenya.

In August 2015, KMoE drafted new guidelines for the Alternative Provision of Basic Education and Training (APBET) institutions. As per the guidelines, at least 50% of the teachers in informal learning schools such as Bridge should have a government recognized certificate and be registered with TSC. Experts stated that the need for new regulations came up after the sudden growth of private schools in Kenya, which took advantage of the loopholes in the previous regulations and registered as non-formal schools but offered formal basic education.

But the new guidelines did not give Bridge any time to comply. Anthony Mugodo, Director of Legal Services at Bridge, said, *"The new guidelines gives institutions zero timeline to comply and raised the percentage that virtually no APBET institution will be compliant and will be at risk of closure."*⁸⁴ The closure of APBET institutes would put 2.6 million pupils out of school. George Mikwa, Chairman of the Kenya Independent Schools Association (KISA), said, *"An estimated 1.5 million Kenyan children attend these otherwise called Harambee primary schools and a further 1.1 million children go to these institutions for early childhood education across the country. The implications of their closure would be to force the thousands of children in these learning facilities in the rest of the country out of school."*⁸⁵

But the fresh guidelines issued in February 2016 relaxed some of the August 2015 guidelines besides giving these institutes some time to comply. Under the new guidelines, only 30% of teachers of these APBET institutions had to have a teacher training certificate; the rest of the 70% had to undergo in-service training from recognized institutions. Additionally, the management of the APBET institutions had to ensure that by the end of the third year of their registration, all their teachers were registered with the TSC.

As per the guidelines, the registration of the learning institutions was also mandatory to get various government services including funding, registration for examinations, quality assurance, etc. Additionally, the schools had to teach the curriculum approved by the Kenya Institute for Curriculum Development (KICD) and follow the timetable supplied by the KMoE.

The new guidelines specified some norms which would put pressure on the costs and low price point of Bridge. The Pupil Teacher Ratio (PTR) in a primary or secondary school should not be more than 55:1 and 45:1 respectively or as approved by the Ministry of Education,

⁸³ David Herbling, "Ministry Stops Expansion of Low-Cost Schools," www.businessdailyafrica.com, September 24, 2015.

⁸⁴ Julius Otieno, "Informal Schools Risk Closure by Tough Rules," www.the-star.co.ke, August 12, 2015.

⁸⁵ Stellar Murumba, "Rules on Harambee Schools Put 2.6m Children at Risk," www.businessdailyafrica.com, August 26, 2015.

Science & Technology (MoEST).⁸⁶ As per the guidelines, APBET institutions had to provide tuition facilities such as classrooms and libraries/resource center with a minimum spacing of 0.3 meter aisles for pre-primary, primary, and secondary schools. The new regulations also stated that APBET institutions could be established only in the slums within Nairobi, Mombasa, Kisumu, and other urban areas as well as in the arid and semi-arid areas.

Growing Opposition in Liberia

Scaling up was essential for the survival of Bridge. In January 2016, Bridge signed a Memorandum of Understanding (MOU) with the Liberian government to become one of the many partners of the Liberian government under the 'Partnership Schools for Liberia' (PSL) program. The PSL was a Public-Private Partnership initiative of the Liberian government to improve the quality of education in the country. Under a pilot project of the PSL program, 120 Liberian schools and about 3% of total schools were contracted out to private players like Bridge.⁸⁷ Bridge was to introduce its teaching model in 50 primary schools with around 20,000 students from the academic year 2016-17. During the pilot project, the Liberian government did not make any payment to Bridge but continued to pay salaries and administration expenses.⁸⁸ Bridge incurred costs related to teachers' training, research & development, material, and all other operating costs not covered in the MoU.

Bridge's founders were free to choose the teachers and principals from a vast pool of government teachers. The students in public schools could choose to continue in the pilot project schools or seek a transfer to other public schools. If the outcome of the pilot project was positive, then Bridge could continue running 50 PLCs and could bid for more primary schools. The Liberian government would decide on the expansion of the pilot project on the basis of performance indicators decided in concert with other partners.

But the deal attracted criticism within Liberia. Educators stated that the Liberian government was encouraging private companies by outsourcing education and this would send millions of dollars out of Liberia, which could be used for the development of educational infrastructure within Liberia. Singh said, *"It is completely unacceptable for Liberia to outsource its primary education system to a private company. This is unprecedented at the scale currently being proposed and violates Liberia's legal and moral obligations. Such arrangements are a blatant violation of Liberia's international obligations under the right to education, and have no justification under Liberia's constitution....Provision of public*

⁸⁶ <http://www.education.go.ke/index.php>.

⁸⁷ Tina Rosenberg, "Liberia, Desperate to Educate, Turns to Charter Schools," www.nytimes.com, June 14, 2016.

⁸⁸ "Memorandum of Understanding between Ministry of Education, Government of Liberia and Bridge International Academies," www.bridgeinternationalacademies.com.

education of good quality is a core function of the State. Abandoning this to the commercial benefit of a private company constitutes a gross violation of the right to education."⁸⁹

George K. Werner (Werner), the then Liberian Education Minister, clarified that the pilot program was not intended to privatize education. He said, *"We are not trying to privatize public education in Liberia. What we are trying to do is to have a partnership with private providers to manage some schools on behalf of the government. Government will own those schools; government will oversee those schools; the teachers in those schools will be government teachers paid within the regulation of the civil service."*⁹⁰ But Liberia's teachers' unions were not convinced and threatened to go on a nation-wide strike if the government did not scrap the agreement.

Ugandan Dictate

The third jolt came from Uganda in July 2016 where the education ministry ordered Bridge to close down its 63 academies in the country. It said Bridge had recruited non-qualified teachers to teach children in substandard school buildings with poor sanitary facilities and did not promote teacher-student interaction. This order rendered 500 of Bridge's teachers jobless and put 12,000 children out of school.⁹¹ Later in November 2016, a Ugandan High Court also sealed the order of Education Ministry for the closure of all Bridge Academies in the country.

DECISION TIME

May and the other founders had a very ambitious plan for Bridge and wanted to export Bridge's unique business model to different parts of the world, especially countries with a poor education system. May said, *"Our plans are quite simple really — we want to provide as many children as possible with access to a high-quality education as soon as possible. We have a goal of reaching 10 million pupils in over a dozen countries by 2025, both through attending our academies and working with partners to use our model beyond our academies."*⁹² Bridge also wanted to list on the New York stock exchange in 2017.

However, its recent experiences showed that conceptualizing and implementing a business model with a social goal in the field of primary education were not without challenges. Bridge learnt that as education was seen to be the responsibility of the state, there was bound to be

⁸⁹ "UN rights Expert Urges Liberia not to Hand Public Education Over to a Private Company," www.ohchr.org, March 22, 2016.

⁹⁰ James Butty, "Liberia Moves toward Outsourcing Aspects of Public Education," www.voanews.com, April 12, 2016.

⁹¹ "Bridge International Academies will Open for Third Term — Court," www.bridgeinternationalacademies.com, September 22, 2016.

⁹² NdutaWaweru, "We Offer Quality Education for Sh500 per Month — May," www.the-star.co.ke, November 5, 2015.

opposition and the threat of regulatory hurdles which could blow up the business model. As Bridge grew bigger and expanded into various countries, this sword of regulation would always be hanging over it. Amy Klement, a Partner at Omidyar Network, said, *"The biggest challenge that Bridge will face in any market is going to be regulatory."*⁹³

It was time for May to take a decision on how they would move forward to reach their set goals quickly and a lot depended on whether she manages to win the confidence of and reassure the stakeholders — governments, students, teachers, investors, and the larger society. May was now keeping a close eye on regulations and the choice of partnerships Bridge would have to get into before it entered any country. She was introspecting on the importance of not only working with governments but also educating the society at large on the benefits of the Bridge model. May knew that Bridge had to work on the increased costs of operations due to regulatory compliance while at the same time keeping prices at affordable levels in order to reach the scales required to achieve profitability. If the price was increased to achieve profitability, May would have to analyze the trade off between financial growth and social impact. It was also felt that May might have to tweak the model, especially with regard to making the model more robust against political and regulatory risk and she was looking at the leg room for maneuverability.

⁹³ MatinaStevis and Simon Clark, "Zuckerberg-Backed Startup Seeks to Shake up African Education," www.wsj.com, March 13, 2015.

Exhibit I
Various Awards and Recognition Received by Bridge International Academies

Award Name	Month and Year
Africa Awards for Entrepreneurs in the Outstanding Small and Growing business category — Second best. Prize money was KSh 4.2 million.	October 2012
Jay Kimmelman named in '2012s Top 40 men under 40' by Business Daily, December 21, 2012, Nairobi, Kenya	December 2012
Bridge was selected for startup incubator 'Girl Effect Accelerator' by Nike Foundation and Unreasonable Group	2014
Jay Kimmelman & Shannon May got the 'Schwab Foundation Social Entrepreneurs of the Year 2014' by World Economic Forum for Africa	2014
Shannon May and Jay Kimmelman listed in 'The CNBC Next List' (Rebels, leaders, and innovators ahead of their time) CNBC	2014
The Economist's Social And Economic Innovation Award	2015
Bridge won Overseas Private Investment Corporation's (OPIC's) 2015 Impact Awards in the development impact category	2015
World Innovation Summit for Education (WISE) Award	2015
Goldman Sachs Builders + Innovators 2015: Jay Kimmelman: 100 Most Intriguing Entrepreneurs	2015
Shannon May named in '15 Women changing the world in 2015' by World Economic Forum	2015
The World's Top 10 Most Innovative Companies of 2015 in Education by Fast Company	2015
Winner of 2016 Global Shared Value Award	2016

Compiled by the author from various sources.

Exhibit II
Education Service Delivery Indicators in Kenya

	All	Public	Private	Urban Public	Rural Public
School absence rate	15.5%	16.4%	13.7%	13.7%	17.2%
Classroom absence rate	42.2%	47.3%	30.7%	42.6%	48.8%
Classroom teaching time (also known as Time on Task)	2 h 40 min	2 h 19 min	3 h 28 min	2 h 37 min	2 h 13 min
Minimum knowledge among teachers	39.4%	35.2%	49.1%	32.9%	35.8%
Student-teacher ratio	32.0	37.1	20.8	40.8	35.9
Textbooks per student	3.1	3.5	2.2	2.5	3.8
Teaching Equipment availability	95.0%	93.6%	98.2%	93.7%	93.5%
Infrastructure availability	58.8%	58.5%	59.3%	93.7%	93.5%

Source: Gayle H. Martin and Obert Pimhidzai, "Service Delivery Indicators - Kenya," <http://siteresources.worldbank.org>, July 2013.

Exhibit III

Bridge International Academies in Pictures



Complied by author from various sources.

Exhibit IV
Timeline of Bridge International Academies

Year	Milestones
2008	Bridge Academies was founded by Jay Kimmelman, Shannon May and Phil Frei
2009	First Bridge Academy started in January 2009 in Kenya offering Kindergarten and Classes I-III.
2011	Bridge started offering Nursery and Class IV
	Bridge introduced custom smartphone software on pilot basis to track teachers and students and manage operational budget
	Bridge became the largest private school chain in Africa
2012	Bridge started offering Baby class and Class V
	Number of Academies reached 83 with enrollment reaching 25,472 students
	Smartphone Academy Manager application introduced in all Academies
	Bridge became the fastest growing company in Kenya
	Bridge increased fees to US\$5 per month from US\$4 per month
2013	Bridge started offering Class VI
	Number of Academies reached 213 with enrollment reaching 56,577 students
	Teacher-tablet developed and introduced
	Bridge became the largest chain in Kenya
	Bridge increased fees to US\$6 per month
2014	Bridge started offering Class VII
	Number of Academies reached 359 with enrollment of over 100,000 students
	Bridge started working on expansion plan in other countries
2015	Bridge Academies started working in Uganda and Nigeria
	Number of Academies reached 414 in three countries with enrollment of about 115,000 students
	Bridge set-up a team to start operations in India
	Kenyan Ministry of Education (KMoE) barred Bridge from opening new academies
	KMoE came up with new guideline in August 2015
2016	Bridge Academies started operations in Liberia and India
	Number of Academies reached 450
	Bridge signed a MOU with the Liberian government in January 2016
	KMoE came up with fresh guidelines in February 2016
	In July 2016, Ugandan education ministry ordered Bridge to close down all academies
	In November 2016, Ugandan High Court sealed the order of education ministry

Compiled by author from various sources.

Exhibit V**Funding Details of Bridge International Academies**

Month Year	Amount Invested	Investor's Name
2008	US\$150,000	Bonny Meyer
December 2009	US\$1.8 million equity investment	Omidyar Network
2013	Undisclosed amount	Bill Gates
December 2013	US\$10 million	Overseas Private Investment Corporation, a US government's development finance institution
January 2014	US\$10 million equity investment	IFC through an equity investment
January 2014	US\$6 million	CDC, Development Finance Institution, UK
March 2015	US\$5.8 million	Square Capital Management founder, Bill Ackman
March 2015	\$10 million	Facebook co-founder, Mark Zuckerberg
N.A.	\$6m	Pershing Square Foundation

Complied by author from various sources.

Exhibit VI**Bridge International Academies 2015 KCPE Results**

<ul style="list-style-type: none"> 776 pupils scored above 300 marks out of 500 marks.
<ul style="list-style-type: none"> Over 80 pupils received secondary school scholarships including 4 pupils who got scholarships from US schools.
<ul style="list-style-type: none"> 4 pupils scored above 400 marks.
<ul style="list-style-type: none"> 19 academies with a 100% pass rate.
<ul style="list-style-type: none"> 76 academies with a 70%+ pass rate.
<ul style="list-style-type: none"> 25 academies attained an average 300 marks or better out of 500 marks.
<ul style="list-style-type: none"> 8 counties (Siaya, Busia, Kajiado, Nandi, Uasin Gishu, Kisumu, Bungoma, Kericho) with an entire county pass rate of 70% or greater.
<ul style="list-style-type: none"> The First Bridge International Academy opened in Mukuru Kwa Njenga, in 2009. Results were a 100% pass rate with a mean score of 329 out of 500 marks.

Source: www.bridgeinternationalacademies.com

Exhibit VII

Challenges Faced by Bridge

Challenges in Providing Low-Cost Education	
Product Development	<ul style="list-style-type: none"> Limited availability of teachers Disparate implementation of national curriculum Traditional modes of learning Language barriers when scaling
Distribution	<ul style="list-style-type: none"> Ensure consistent quality at all locations Efficient communication with staff Manage geographically dispersed locations Need to scale quickly and cost-effectively
Marketing & Sales	<ul style="list-style-type: none"> Families have limited money to spend on school Need for schools to be a part of the local community
Customer Service	<ul style="list-style-type: none"> Teacher absenteeism Lack of feedback loops to engage parents
Human Resource	<ul style="list-style-type: none"> Bridge requires 0.4 million teachers, thousands of non-teaching staff, and hundreds of managers to achieve their 2025 vision.
Country Specific Challenges	
Kenya	<ul style="list-style-type: none"> The new regulations allow Bridge to open academies only in the slums within Nairobi, Mombasa, Kisumu, and other urban areas. 30% of teachers of Bridge had to obtain teacher-training certificate The rest of the 70% had to undergo in-service training from recognized institutions. Bridge has to re-register its academies and by the end of the third year of registration, all teachers should get themselves registered with the TSC.
Liberia	<ul style="list-style-type: none"> Liberian teachers' unions, local private players, and civil society groups in the country, criticized the agreement between the Liberian government and Bridge which allowed Bridge to run public school under the public-private partnership model
Uganda	<ul style="list-style-type: none"> Ugandan High Court ordered the closure of all 63 Bridge Academies.

Source: "Bridge International Academies," www.bridgeinternationalacademies.com and various other sources.

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3. Jonathan Paye-Layleh, **"Liberia - The Country that Wants to Privatises its Primary Schools,"** www.bbc.com, April 26, 2016.
4. Api Podder, **"Bridge International Academies Wins International Education Innovation Prize,"** <http://mysocialgoodnews.com>, September 19, 2015.
5. MatinaStavis and Simon Clark, **"Zuckerberg-Backed Startup Seeks to Shake up African Education,"** www.wsj.com, March 13, 2015.
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